

Ratepayer mitigation

Windpool

8,323 FEMA units on coast at 1/2, 11,073 state wide on same date

5,500 Low Income Housing Tax Credits units to coast with 10,000 statewide

Press release on additional \$100 million for small rental, another round of funding

Recap all housing programs

Other recovery programs are also working. ((NEED UPDATES THROUGH JANUARY 18)) AND (((AVERAGE INCOME OF GRANT RECIPIENTS))) As of January 16, 2008, 15,139 grants under Phase 1 have been paid totaling \$1.088 billion and 2,947 Phase II grants have been paid totaling just over \$208 million.

Over \$262 million is allocated for the Small Rental Program to restore or construct 8,000 rental units and \$105 million for 2,700 units through Public Housing Authorities. Low Income Housing Tax Credits will provide 5,500 units. The Small Rental Program is in the process of reviewing   applications.

In total, over \$3.95 billion of the \$5.5 billion approved by Congress has been allocated to housing or housing-related programs, approximately 72% of the appropriation. Original estimates for Phase I and II grants allowed for 35,000 grants at an average of \$110,000 each. As the programs have been implemented, MDA currently anticipates 30,000 grants at an average of \$70,000. There are sufficient monies available to fund these programs.

Housing is vital, but total recovery also depends on economic recovery. Cities, infrastructure and jobs must be rebuilt or restored. The state's plan addresses these needs through economic development programs, community revitalization, tourism restoration and water/wastewater infrastructure restoration.

Total 617m

Workforce 250m

Small rental 262m

Public housing 105m

Average incomes of phase 1 and 2 grant recipients and how our mitigation money has saved homeowners and renters serious cash by keeping utility costs in check.

"Katrina didn't discriminate. The storm leveled rich neighborhoods and poor neighborhoods, so our challenge—and top priority—has been to rebuild Coastal housing for all those affected," Governor Barbour said. "I'm proud of the policies we've set in place that help low-to-

moderate income Mississippians move back into their houses and apartments, return to their communities and rebuild their lives.”

Governor Barbour’s comprehensive housing recovery strategy addresses low-to-moderate income homeowners and renters. By enhancing housing opportunities, the workforce and economic engines of the Gulf Coast are able to find affordable housing.

### **The Homeowners Assistance Grant Program**

This unprecedented relief measure provides grants directly to homeowners to rebuild or repair damaged houses. As of September 18, more than \$1 billion of the program’s phase one grants had been distributed to 13,886 applicants, with another \$99 million distributed to 1,409 applicants from phase two. Forty percent of phase one recipients are low-to-moderate income homeowners, with over half the household incomes under \$40,000. In phase two, which was specifically targeted to assist low-to-moderate income applicants, 80% of the recipients qualify as low income with half the household incomes at less than \$19,000.

### **Mortgage Revenue Bond**

Governor Barbour allocated \$120 million in bond authority to the Mississippi Home Corporation to issue Mortgage Revenue Bonds throughout the southern part of Mississippi, including the coastal counties. These bonds create below-market interest rates and provide assistance with closing costs equal to 3% of the loan, assisting nearly 1,000 low-to-moderate income families to realize their dreams of homeownership.

### **Public Housing Authorities**

The Governor directed \$105 million in Community Development Block Grant (CDBG) funds to assist the five public housing authorities in building and reconstructing damaged or destroyed public housing along the Coast. Additionally, the Governor directed the Mississippi Home Corporation (MHC) to create a set aside in their funding rounds that will result in 1,275 rental units being constructed for public housing authorities.

### **GO Zone Low-Income Housing Tax Credits**

The Gulf Opportunity Zone Act authorizes the MHC to allocate approximately \$106 million over three years in Low Income Housing Tax Credits to encourage the construction and rehabilitation of low-to-moderate income rental housing, serving people who make 60% or less area median income. Governor Barbour has provided counsel to the MHC to direct maximum funding to the coast. The GO Zone funding allocations were completed in July 2007, enabling builders to

begin construction on \$68 million worth of rental stock; additionally, administrators anticipate 5,730 Low Income Housing Tax Credit units will be built in the coastal counties over the next few years.

### **Small Rental Assistance Program**

The Program is designed to spur development of workforce rental housing along the Coast by providing \$262.5 million in forgivable loans to owners of small rental properties to create more affordable rental housing for lower income families. Under the program, rental property owners must commit to rent to low-to-moderate income residents, with more than half of residents at 80% or less area median income. About 6,000 workforce rental-housing units are expected to be constructed and rehabbed through the Small Rental Assistance Program. Application guidebooks are now available and informational workshops hosted by MDA were held last week.

### **Long Term Workforce Plan**

Through this plan, proposals will be taken from for-profit and non-profit entities to construct workforce housing along the southern-most counties, including Hancock, Harrison, Jackson, and Pearl River Counties. These proposals, which must meet HUD requirements regarding low income families, will leverage private capital with CDBG funds to construct single family, multi-family rental, and home ownership units that will be available to mixed income tenants and/or owners.

Other programs designed to assist all residents in the Gulf Coast area include the Ratepayer and Windpool Mitigation Program, which helps offset anticipated insurance premium and utility rate increases; the Economic Development Program, which provides funding to assist local governments in improving infrastructure; and Downtown Revitalization Grants, which assist in the rebuilding of downtown areas for economic development and job creation.

“Housing is and will continue to be the most pressing issue facing Coastal recovery, but I’m confident that the bedrock for housing recovery is dependant upon the faithful administering of these programs, many of which are targeted at helping low income families,” Governor Barbour said.